

Features of the Standard of Living and Labor Situation in Households with Children and without Them



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Abstract. The relevance of the study is determined by the need to improve public policy in order to address current issues concerning Russians' standard of living and quality of life in the context of new risks posed by the socio-economic impact of a growing external pressure on the country. The article presents findings

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of a study that identifies the features of the standard of living of households with children (target group) and without children (control group), and considers the role of the labor situation of household members. The standard of living of households was considered through its modeling by per capita money income and by quality of housing conditions that were assessed with the help of social standards. We reveal that the most common models for households with children are those of low and lowest standard of living, which are less typical for households without children. Households with children are much more likely, in comparison to households without children, to face the most vulnerable situation in terms of income and quality of housing conditions. The article considers the labor situation of economically active members of households with different levels of per capita money income. We reveal the differences in the level of employment of persons aged 15 years old and older, with different income levels, living in households with and without children, depending on the age group. We assess the level of income from main employment, which ensures the positioning of households by standard of living (taking into account the actual dependent burden) and reveal that the presence of children increases the risks of households entering the lower strata by standard of living. We consider main reasons for the unemployment of persons aged 15 years old and older (by age group) living in households with children with different income levels and also determine “reserves” for increasing the level of employment in households with children and, as a consequence, their income level.

Key words: standard of living, social standards, money income level, quality of housing conditions, labor situation, employment, income from employment, reasons for unemployment, households with children, households without children.

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Introduction

Improving the standard of living is one of the priorities of Russia’s strategic development, implemented through program-targeted tools in the areas of improving the employment quality, increasing real incomes, reducing poverty, improving the housing conditions of Russians, etc.¹. The relevance of these priority directions for the “internal agenda” of the state policy is conditioned by the still acute problems of mass insecurity of Russians, formed by the basic components of the standard of living – purchasing power of monetary

income and housing security (Bobkov et al., 2007; Bobkov, Guliugina, 2020; Monitoring..., 2022; etc.). The crisis caused by the COVID-19 pandemic and its socio-economic consequences have actualized the importance of solving these problems in the context of new risks to the living standards of citizens. In the period of the pandemic and coronacrisis, one of the “blows” of which came to the sphere of employment (Laykam, 2021; Korchagina, Prokofieva, 2023), the “role of employment and its quality in maintaining and

¹ On the National Security Strategy of the Russian Federation: Presidential Decree 400, dated July 2, 2021. Available at: <https://base.garant.ru/401425792/>; On the national development goals of the Russian Federation for the period through to 2030: Presidential Decree 474, dated July 21, 2020. Available at: <http://publication.pravo.gov.ru/Document/View/0001202007210012>; Housing and Urban Environment. National Projects of Russia. Available at: <https://xn--80aapampemcchfmo7a3c9ehj.xn--p1ai/projects/zhile-i-gorodskaya-sreda>; etc.

improving the standard of living of households” became even more obvious (Bobkov, Odintsova, 2023, p. 197). The socio-economic consequences of the Covid-19 crisis and measures to overcome them on the part of the state once again confirmed that households with children are the most vulnerable group and ensuring their well-being should be the “core” of strategic planning for the country’s development.

At the new stage of development, which Russia entered in early 2022, associated with the strengthening of external sanctions pressure in the context of geopolitical confrontation, the priority of ensuring the well-being of households with children (in the sphere of living standards, health, etc.), interconnected with the problems of national saving, development of human resources, etc., becomes even more important for achieving the national interests of Russia’s sovereign strategic development. The need to work out effective measures of state policy in the conditions of a new stage of development requires the actualization of the scientific and analytical basis and, accordingly, the continuation of research in the field of studying the standard of living, including the socio-demographic group of households with children.

In the framework of our study, this task is solved in the aspect of identifying the features of living standards in relation to households with and without children, as well as considering the role of the labor status of household members in the formation of living standards.

The scientific novelty of the study conducted by us consists in the identification of differences in the models of living standards, defined by the level of per capita cash income and the quality of housing conditions, assessed on the basis of social standards, in Russian households with and without children.

The significance of the work lies in identifying the most vulnerable households in terms of living standards, as well as the features of the labor situation of their economically active population,

in determining the “reserves” for increasing the employment rate and, accordingly, the level of per capita income. The results obtained may be in demand in the development of targeted measures of state policy in the field of improving the quality of employment and real money income, improving housing security, social support for families with children.

Methodological approaches and research data

The target group of the research is Russian households with a child (children) (hereinafter – households with children). This category of households, which is significant in terms of achieving national demographic development targets, is characterized by high vulnerability and poverty risks (Bobkov, 2019; Korchagina, Prokofieva, 2023). With the focus of social policy on poverty reduction and support for households with children, they remain the most massive (about 80% or more²) group among poor households. To compare and identify the specifics of the situation of the target group, we also introduced a control group – households with no child support burden (households without children).

We surveyed households (with and without children) in two main ways.

1. Standard of living. The problem of standard of living is one of the actively studied segments of the research field. It is revealed in the aspect of studying inequality: theoretical and methodological foundations, tools, assessment of the level and dynamics, identification of factors, etc. (System..., 1986; Bobkov et al., 2007; Shevyakov, 2010; Ovcharova et al., 2016; Bobkov, Kolmakov, 2017; Jenkins, Micklewright, 2007; Milanovic, 2011; Atkinson, 2015; Solt, 2020; Wang, Jv, 2023; etc.). The standard of living in different strata of the population, distinguished on the basis of its various indicators, is studied (Avraamova et al., 2003;

² Socio-economic indicators of poverty in 2015–2021. Rosstat. Available at: <https://rosstat.gov.ru/folder/11110/document/13293>

Poverty ..., 2014; Maleva et al., 2015; Middle classes ..., 2018; Maleva et al., 2019; Deaton, 2005; Chen, Ravallion, 2013; etc.); specific features of living standards of different socio-demographic groups (Bobkov, Odintsova, 2023; etc.), including families with children as the most vulnerable category of the population (Family and children..., 2009; Pishniak, Popova, 2011; Bobkov, 2019; Korchagina, Prokofieva, 2023; etc.).

In this study, the standard of living is considered on the basis of monetary income and housing conditions. They represent two basic components of the formation of living standards, for which their criterion parameters that determine decent living conditions of households remain massively inaccessible (Monitoring..., 2022). At the same time, scientific and practical (for the purposes of state social policy) interest is in the classification (grouping) of households differing in living standards, for which research practice offers various solutions. When applied as a classifying criterion of money income, its boundaries can be established using different approaches, which identify groups with different living standards: an objective approach based on objective assessments (with the establishment of absolute and relative boundaries for assessment or their combination), and a subjective approach based on self-assessments of the population (Ovcharova, 2009; Bobkov, Kolmakov, 2017; Tikhonova et al., 2018;

Monitoring..., 2022; Ravallion, 2016; etc.). When assessing housing conditions, studies elaborate a set of parameters determining them: safety of living conditions (emergency housing, etc.), livability of housing, dwelling area, number of living rooms, etc. (Puzanov et al., 2012; Maleva et al., 2015; Middle Classes..., 2018; Shneiderman et al., 2019; Monitoring..., 2022; etc.). Housing affordability (Minchenko, Nozdrina, 2017; Padley, Marshall, 2019; Kosareva, Polidi, 2021, etc.), self-assessments of housing conditions (Family and Children..., 2009; et al.), etc. are also taken into account.

To study the standard of living, we follow an objective approach, which is based on the original normative social standards that fix an increasing “scale” of normative characteristics of the components of the standard of living, the comparison of actual indicators with which allows identifying the standard of living in various projections (one- or two-dimensional, or multidimensional – taking into account the set of components of the standard of living) (Monitoring..., 2022; etc.).

In this study we distinguished the standard of living models formed by households (*Tab. 1*), each of which is two-parameter – identified by the level of purchasing power of per capita cash income and the quality of housing conditions of households, which were determined using the relevant social standards (*Tab. 2*). To realize the purpose of the

Table 1. Standard of living models defined on the basis of the level of per capita money income and quality of housing conditions

Standard of living model	Level of money income and quality of housing conditions, assessed on the basis of social standards, determining the patterns of standard of living
High standard of living	<i>Money income and housing conditions are at or above high-level standards, including: income at least at the high-level standard (at least 11 MW*) and good housing conditions (housing meets the requirements of the high-level standard**)</i>
Average standard of living	<i>Money income and/or housing conditions at or above middle-income standards, including:</i> <ul style="list-style-type: none"> – income at least at the high level standard (at least 11 MW) and average housing conditions (housing meets the requirements of the medium level standard, but does not meet the requirements of the high level standard); – income meets the medium level standard (3.1–11 MW) and good housing conditions (housing meets the requirements of the high level standard); – income meets the medium level standard (3.1–11 MW) and average housing conditions (housing meets the medium level standard but does not meet the high level standard)

End of Table 1

Standard of living model	Level of money income and quality of housing conditions, assessed on the basis of social standards, determining the patterns of standard of living
Below average standard of living	<i>Money income and/or housing conditions fall below median standards, including:</i> – income less than the middle level standard (2–3.1 MW) and housing conditions from average to good (housing meets the requirements of middle and high level standards); – income is not less than the middle level standard (3.1 MW or more) and below average housing conditions (housing meets the requirements of the socially acceptable standard, but does not meet the requirements of the middle level standard); – income less than the standard of average level (2–3.1 MW) and below average housing conditions (housing meets the requirements of socially acceptable standard, but does not meet the requirements of the standard of average level)
Low standard of living	<i>Money income and/or housing conditions fall below socially acceptable standards, including:</i> – income less than socially acceptable standard (1–2 MW) and housing conditions from below average to good (housing meets the requirements of socially acceptable and higher standards); – income not less than the socially acceptable standard (2 MW or more) and poor housing conditions (housing meets the requirements of the minimum standard, but does not meet the requirements of socially acceptable standard); – income less than the socially acceptable standard (1–2 MW) and poor housing conditions (housing meets the requirements of the minimum standard, but does not meet the requirements of socially acceptable standard)
The lowest standard of living	<i>Money income and/or housing conditions fall below minimum standards, including:</i> – income less than the minimum standard (less than 1 MW) and housing conditions from poor to good (housing meets the minimum and higher standards); – income not lower than the minimum standard (not less than 1 MW) and the worst housing conditions (housing does not meet the requirements of the minimum standard); – income less than the minimum standard (less than 1 MW) and the worst housing conditions (housing does not meet the minimum standard)
* MW – minimum wage. ** The requirements of housing provision standards are presented in Table 2. Source: own compilation.	

Table 2. Levels and requirements of social standards of per capita money income and housing security

Level of social standards	Normative limits of per capita money income	Regulatory requirements for housing characteristics
High level	At least 11 MW*	Size of dwelling area: total area not less than 40 m ² /people Comfortable dwelling and sanitary and hygienic living conditions, safety of living conditions: not lower than the requirements of the standard of the average level. Spaciousness of dwelling: number of habitable rooms (K) in a dwelling exceeds the number of occupants (n): $K > n$
Average level	At least 3,1 MW	Size of dwelling area: total area not less than 23 m ² /people Comfortable housing and sanitary and hygienic living conditions, safe living conditions: not lower than the requirements of the socially acceptable standard, as well as the availability of Internet access. Spaciousness of dwelling: number of habitable rooms (K) in a dwelling corresponds to a number of residents (n): $K = n$
Socially acceptable	At least 2 MW	Size of dwelling area: total area not less than 16 m ² /people Comfortable housing and sanitary and hygienic living conditions: not lower than the minimum standard requirements, as well as availability of central hot water supply (or from local (individual) water heaters**), floor stove (gas/electric), kitchen, shower/bath and toilet in the dwelling with individual accessibility***. Safety of living conditions: living not in an emergency residential apartment building; no danger of floods, floods, waterlogging, fire hazards for housing (individual house)
Minimal	At least 1 MW	Size of dwelling area: total area not less than 6 m ² /people Comfortable housing and sanitary and hygienic living conditions: availability of centralized power supply, sewerage, centralized water supply (or from an individual artesian well**), central heating (or from individual installations, boilers**)
* MW – minimum wage. ** The requirement applies to rural areas. *** They are not located in a common area / detached structure / yard building. Source: own compilation.		

research, we used the standards of per capita cash income, substantiated in earlier works (see, for example, (Monitoring..., 2022)), and standards of housing security, developed by one of the authors, taking into account the differentiation of housing characteristics depending on the place of residence (urban/rural areas)³.

2. Labor status of economically active population of households with different standard of living.

We considered the standard of living of households in connection with the labor status of their members. We assessed labor status for persons living in households (with and without children) with different levels of per capita cash income, identified on the basis of compliance with the social standards used in the study. Thus, we studied its “contribution” to the provision of living standards, and determined the (under)utilization of opportunities to ensure certain standards of living. Labor status was considered for persons aged 15 years and older, i.e. for the economically active population of households, according to the following parameters.

2.1. Employment availability. The share of employed persons aged 15 and older was determined in general and by age groups: a) from 15 to 24 years (age corresponding to the period of education, which determines the objective circumstances of possible unemployment: school, university, etc.); b) from 25 years to retirement age (the main period of economic activity); c) retirement age (the period of economic activity associated with the presence of objective circumstances of possible unemployment: retirement, loss of ability to work, etc.).

Each of the selected age groups may have its own characteristics in terms of (non)participation in employment, which can be specified in a more

³ Actualized standards of housing security were used for the first time to identify the features of property security of families with children in urban and rural areas. The results are presented in the paper published in the journal “AIC: Economics, Management” in 2023.

detailed grouping by age (which can be the subject of further research). In this case, the authors chose an aggregated grouping by age, which makes it possible to trace changes in the three main stages of the life cycle associated with participation in employment: education and entry into the labor market, the main stage of labor activity and leaving employment. The age boundaries of the two “extreme” groups were chosen in order to emphasize the periods associated with objective reasons for possible unemployment – education and retirement.

2.2. The level of income from primary employment, which was assessed on the basis of standards linked to the standards of per capita cash income and determining the possibility of ensuring certain standards of living standards, taking into account the actual dependency burden on the employed⁴.

2.3. Reasons for nonemployment. For unemployed persons from among those living in households with children, we identified the main reasons for nonemployment in relation to each of the age groups considered (15 to 24 years, 25 years to retirement age, retirement age), which made it possible to assess their objectivity.

In this paper, we focus on the selected parameters of the labor status of household members, leaving out of the study other possible socio-demographic and socio-economic factors affecting the situation of households: the number and age of children, labor potential of parents (health, education and qualifications, etc.), other sources of income besides income from employment, etc., which can be the subject of further research.

⁴ We took into account the burden of supporting minor children. If the employed had no children, the following standard limits were applied in relation to the minimum subsistence level of the working-age population (MWemp): 1 MWemp, 2 MWemp, 3.1 MWemp and 11 MWemp. If the employed have children, the adjusted (higher) boundaries of standards of income from primary employment were applied, which, taking into account the number of children, the possibility of sharing the burden of their maintenance and savings on joint consumption, make it possible to reach the standards of per capita cash income (see Tab. 2)

The empirical base for the research was formed by: 1) microdata of the Comprehensive Observation of Living Conditions of Rosstat⁵ (hereinafter – COLC) – data on households⁶ and individuals⁷ for 2022 (the main part of the empirical data); 2) data of the Russian Longitudinal Monitoring Survey of the National Research University Higher School of Economics⁸ (hereinafter – RLMS-HSE) on individuals (additional and local part of the empirical data, required to compensate for the lack of data on income from employment in COLC, necessary for the objectives of the research⁹).

Thus, the study identified the situation in 2022 associated with the risks of deterioration of the situation of households (primarily with children) due to the consequences of the growing external sanctions pressure on Russia in the context of

the aggravation of the geopolitical crisis, which continues to intensify at present.

Main research results

Households standard of living with and without children: common models taking into account the level of cash income and quality of housing conditions.

According to the obtained estimates, the average and higher standard of living for households with children is practically unaffordable (about 1.0%, 2022; *Tab. 3*). Households without children are more often provided with incomes and housing conditions meeting higher standards: such a model of living standards was revealed among 13.7% of households without children, primarily it is associated with the achievement of average rather than high (0.1%) standards (13.6%). The model of below average standard of living among households

Table 3. Models of households' standard of living with and without children based on per capita money income and quality of housing conditions assessed on the basis of social standards, 2022, %

Standard of living model	Level of money income and quality of housing conditions, assessed on the basis of social standards, determining the patterns of standard of living	Households with children	Households without children
High standard of living	Money income and housing conditions not below high level standards	0.0*	0.1
Average standard of living	Money income and/or housing conditions at or above middle-income standards	1.0	13.6
Below average standard of living	Money income and/or housing conditions do not reach middle-income standards	11.5	29.2
Low standard of living	Money income and/or housing conditions do not reach socially acceptable standards	46.4	25.6
The lowest standard of living	Money income and/or housing conditions do not reach minimum standards	41.1	31.5

*0.0 – small value.
Source: own calculation based on the COLC data.

⁵ Comprehensive observation of living conditions of the population 2022. Available at: https://gks.ru/free_doc/new_site/GKS_KOUZH_2022/index.html.

⁶ The data were in demand for assessing the living standards of households. In 2022, the COLC was organized in all regions of Russia, covering 60.0 thousand households.

⁷ The data were required to assess the labor status of the economically active population of households. Persons aged 15 and older (including age groups) living in households with different levels of per capita cash income were sampled. The sample amounted to 103.1 thousand people, sampling error $\pm 0.31\%$ (at 95% confidence level).

⁸ "Russian Longitudinal Monitoring Survey of the Higher School of Economics (RLMS-HSE)" conducted by the National Research University Higher School of Economics and Demoscope LLC with the participation of the Population Center of the University of North Carolina at Chapel Hill and the Institute of Sociology of the Federal Research Sociological Center of the Russian Academy of Sciences (RLMS-HSE survey websites: <http://www.hse.ru/rlms> and <https://rlms-hse.cpc.unc.edu>).

⁹ In the RLMS-HSE database, data from the latest 30th wave (2021), the most relevant at the time of the study, were sought. The dataset included individuals aged 15 and older who were employed: 5,500 individuals. The sampling error is $\pm 1.32\%$ (at 95% confidence level).

with children is not widespread (11.5%), while among households without children it is more than twice as common (29.2%).

The most typical for households with children are the models of low and lowest living standards. In 2022, the share of households with children with the corresponding patterns was 87.5%, which is one and a half times higher than for households without children (57.1% in total). A low standard of living, in which cash incomes and/or housing conditions do not reach socially acceptable standards, distinguishes 46.4% of households with children and 25.6% of households without children (1.8 times less). The lowest standard of living, in which cash incomes and/or housing conditions do not reach minimum standards, was found in 41.1% of households with children, while 31.5% of households without children (1.3 times less).

Among the households characterized by patterns of low and the lowest living standards, the most vulnerable situation can be called for those households that have per capita money incomes below the minimum or socially acceptable standards and at the same time live in the worst or poor housing conditions, as well as for those living in housing of higher quality with per capita incomes below the minimum standard. Among households with children the total share of such households (58.6%) is more than three times higher than among households without children (18.7%; *Tab. 4*). Including the share of households with the worst housing conditions (do not meet the requirements of the minimum standard) with the lowest per capita money income (less than 1 MW) among households with children (12.0%) exceeds their share among households without children (1.8%).

Table 4. Most vulnerable households with and without children with low and lowest living standard patterns identified based on social standards, 2022, %

Indicator	Households with children	Households without children
With per capita money income below the minimum standard (less than 1 MW*) and the worst housing conditions (housing does not meet the minimum standard)	12.0	1.8
With per capita money income below the minimum standard (less than 1 MW) and poor housing conditions (housing meets the requirements of the minimum standard, but does not meet the requirements of socially acceptable standard)	4.7	0.4
With per capita money income below the minimum standard (less than 1 MW) and housing conditions from below average to good (housing meets the requirements of socially acceptable and higher standards)	1.5	0.5
With per capita money incomes less than socially acceptable standard (1–2 MW) and the poorest housing conditions (housing does not meet the requirements of the minimum standard)	18.7	11.9
With per capita money income less than the socially acceptable standard (1–2 MW) and poor housing conditions (housing meets the requirements of the minimum standard, but does not meet the requirements of the socially acceptable standard)	21.7	4.1
Households most vulnerable in terms of living standards, total	58.6	18.7
<i>For reference:</i> Share of households with per capita money income below the minimum standard (less than 1 MW)	18.1	2.6
<i>For reference:</i> Share of households with poor and worst housing conditions	71.1	46.2
<i>For reference:</i> Share of households with per capita money incomes below the minimum or socially acceptable standard (less than 2 MW) in total number of households with poor and worst housing conditions	80.3	39.3
* MW – minimum wage. Source: own calculation based on the COLC data.		

The most vulnerable households characterized by poor quality housing conditions find it difficult to improve their housing conditions on their own due to low income levels. Such households, as follows from the data obtained, constitute the overwhelming majority (80.3%) among households with children living in poor or worst housing conditions (71.1%), while among households without children their share is twice lower (39.3% out of 46.2%). At the same time, the share of households with per capita income below the minimum standard (less than 1 MW) in households with children (18.1%) is almost seven times higher than their share among households without children (2.6%).

Let us consider what is the labor status of persons aged 15 and older living in such households in the conditions of per capita money income standards identified for households with and without children, which determine the formation

of living standards patterns and the possibility of improving the quality of housing conditions.

Labor status of economically active population of households with and without children at different levels of per capita money income

The obtained data show that, in general, the share of the employed among persons aged 15 and older increases as the level of household income increases (Tab. 5). At the same time, in case of living in households with children, the share of the employed is higher compared to households without children. In case of households with average and above standard incomes, the shares of the employed practically do not differ: 76.8% for households with children and 76.4% for households without children (2022). At lower income standards, the differences in the share of the employed are more noticeable: from 15.8 p.p. at the lowest incomes (less than 1 MW) to 27.2 p.p. at below average incomes (2–3.1 MW).

Table 5. Employment of persons aged 15 and over in households with and without children at different levels of per capita household income, 2022, %

Indicator	Level of money income in households based on social standards			
	The lowest (up to 1 MW**)	Low (1–2 MW)	Below average (2–3.1 MW)	Average and above (3.1 MW and more)
<i>Share of employment among persons aged 15 and older</i>				
– among persons living in households with children*	52.6	68.0	76.7	76.8
– among persons living in households without children*	36.8	43.6	49.5	76.4
<i>Share of employment among persons aged 15–24</i>				
– among persons living in households with children*	11.6	11.2	14.5	6.6
– among persons living in households without children*	24.6	32.6	55.1	72.5
<i>Share of employment among persons aged 25 and before retirement age</i>				
– among persons living in households with children*	67.8	85.8	92.7	90.0
– among persons living in households without children*	50.8	78.2	93.3	97.1
<i>Share of employment among persons of retirement age</i>				
– among persons living in households with children*	8.0	14.1	16.8	40.1
– among persons living in households without children*	10.8	8.8	11.4	46.2
* In % of the number of persons of the relevant age group living in households with different income levels				
** MW – minimum wage.				
Source: own calculations based on the COLC data.				

In the considered age groups in households with and without children, the highest involvement in employment is observed among persons from 25 to retirement age. In other age groups the share of the employed is noticeably lower. At the same time, among persons aged 15–24 living in households with children, the share of the employed is noticeably lower compared to their peers living in households without children, and these differences only increase as the level of household income increases.

In households with children, a lower (relative to peers in households without children) percentage of employed persons aged 15 to 24 may be due to the need for diversion to family responsibilities (if they are younger brothers/sisters, own children in young families). The higher percentage of those employed in households with children at lower per capita incomes may be due to the desire to enter the labor market faster to increase the overall level of household income. In better-off households with children there is no such need, and there is an opportunity to concentrate on education.

We should note that in the case of the lowest (less than 1 MW) and lower (1–2 PM) per capita incomes, the employment rate of persons from 25 to retirement age from households with children (67.8 and 85.8%) is higher than for their peers from

households without children (50.8 and 78.2%). The situation is similar for persons of retirement age at low (1–2 MW) per capita incomes: 14.1 and 8.8%. At per capita incomes of 2 MW and above, the labor situation of households with children is characterized by an even higher share of employed persons from 25 years to retirement age (about 90.0% and above) and persons of retirement age (up to about 40.0%).

Consideration of the level of income provided by employment for positioning households in one or another stratum in terms of living standards has shown the following (*Tab. 6*). For more than half (54.5%, 2021) of the employed who have children, the income from the main employment, taking into account the actual dependency burden, does not allow their households to reach the socially acceptable and higher level of per capita money income. This situation is less frequent among the employed without children, who, due to the absence of dependency burden, have to meet lower normative limits in order to enter the same strata of the standard of living (40.2%). At the same time, the share of employed persons whose employment does not provide incomes sufficient to overcome the minimum standard of per capita money income differs almost three times between those with children (14.8%) and those without them (5.4%).

Table 6. Distribution of the employed by level of income from primary employment depending on the presence of minor children, 2021, %

Level of income from primary employment standardized	Share of the employed with the corresponding level of income from primary employment depending on the presence of minor children	
	Without children	With children
Ensure high standards of per capita money income in households	0.3	0.2
Provide average standards of per capita money income in households	27.6	17.0
Do not provide average standards of per capita money income in households	31.9	28.3
Do not provide socially acceptable standards of per capita money income in households	34.8	39.7
Do not provide minimum standards of per capita money income in households	5.4	14.8

Source: own calculation based on the RLMS-HSE data.

Taking into account the actual dependency burden on the employed, if they have children in their households, it is more difficult for them to “break through” to the better-off strata – with average and higher standards of per capita money income. Among the employed with children (17.2%) the share of such is 1.6 times less than among the employed without children (27.9%).

Thus, higher employment rates for households with children are offset by small amounts of income from it, which, in conditions of actual dependency burden, in more than 50% of the employed is insufficient to take the households beyond the bottom two strata. In households without children, this indicator was lower (about 40%) with less involvement in employment.

In the course of consideration of the main reasons for unemployment of persons aged 15 and older from households with children (*Tab. 7*) we revealed the following things. The main reason for the unemployment of persons aged 15–24 is education, and the higher the income level in households, the higher the share of those studying. In the least well-off households with children, the unemployment of persons aged 15 to 24 is also due to other objective reasons (which are less relevant at other income levels), primarily unemployment (4.1%, 2022). Among them, unemployment is more likely to be related to family circumstances (household management, caring for children, including young children, etc.), as well as incapacity for work (temporary or long-term). All these

Table 7. Main causes of nonemployment of persons aged 15 and over from households with children with different levels of per capita money income, 2022, %

Main causes of unemployment	Level of money income in households based on social standards			
	The lowest (up to 1 MW**)	Low (1–2 MW)	Below average (2–3.1 MW)	Average and above (3.1 MW and more)
<i>Main causes of unemployment of persons aged 15 to 24 years*</i>				
Education (learner, student)	86.3	93.5	97.3	96.8
Not working and looking for work (unemployed)	4.1	1.2	0.5	0.7
Housekeeping, caring for children or other persons	2.8	1.6	0.7	0.0
Pregnancy, childbirth, child care until a child reaches 1.5 (3) years old	2.0	1.5	0.4	0.4
Temporary or long-term disability	1.3	0.1	0.4	0.0
Not working or looking for work for other reasons	2.3	1.3	0.8	2.0
<i>Main reasons for unemployment of persons from 25 to retirement age*</i>				
Housekeeping, caring for children or other persons	51.2	58.6	70.0	63.8
Not working and looking for work (unemployed)	19.6	12.9	6.0	7.0
Pregnancy, childbirth, child care until a child reaches 1.5 (3) years old	8.6	9.0	8.7	11.3
In retirement	9.0	10.4	5.6	3.3
Temporary or long-term disability	3.1	3.1	0.4	0.7
Not working or looking for work for other reasons	8.4	5.8	8.8	13.8
<i>Main causes of unemployment of persons of retirement age*</i>				
In retirement	92.8	99.1	99.5	95.4
Housekeeping, caring for children or other persons	3.4	0.1	0.0	4.6

* In % of the number of persons of the relevant age group living in households with different income levels.
** MW – minimum wage.
Source: own calculation based on the COLC data.

objective circumstances may explain the low level of employment of persons of this age group from low-income households with children.

For those aged 25 to retirement age, the main reason for not being employed (more than 50%, 2022) is to run a household, care for children or other persons. The “weight” of this reason increases as the level of household income increases. In the case of the lowest (less than 1 MW) and low (1–2 MW) household incomes, unemployment is also the most important reason for the unemployment of persons in this age group: 19.6 and 12.9%, respectively. In better-off households with children, this cause of unemployment is less common. There are also other objective reasons for unemployment (pregnancy, childbirth, disability, etc.) of persons from 25 to retirement age: their total share for less well-off households (less than 2 MW) is more than 20%, for better-off households (2 MW and more) they are less common – about 15%.

For persons of retirement age from households with children, the main reason for nonemployment is expected to be retirement (more than 90%). At the same time, in households with children with the lowest incomes (less than 1 MW), as well as with incomes at least at the middle level (3.1 MW and more), pensioners more often than in households with other income levels explain their nonemployment by household management, childcare or care of other persons. Obviously, they strive to help their children with family responsibilities.

As follows from the obtained data, households with children have “reserves” for increasing the employment rate and, accordingly, the level of income. They are associated, first, with the employment of unemployed persons. The largest share of them was found for households with the lowest incomes (less than 1 MW) among the unemployed aged 25 to retirement age (about 20%) and aged 15 to 24 (about 4%). Second, the “pools” are related to the inclusion in employment

of persons who are neither working nor looking for a job. Among non-working persons aged 15 to 24 years, their largest share was found for households with the lowest incomes (less than 1 MW); among non-working persons aged 25 years to retirement age, for households with average and higher incomes (3.1 MW or more): 13.8% with 8.4% for households with the lowest incomes (less than 1 MW).

Discussion of the results and suggestions on the results of the conducted study

The obtained results complement the conclusions of other studies that record the situation with the standard of living as a whole (Bobkov, Kolmakov, 2017; Monitoring..., 2022; etc.), specifying it for households with and without children. At the same time, the focus is not on separate strata by standard of living (for example, the poor or the middle-income (Poverty and the poor..., 2014; Middle classes..., 2018; Maleva et al., 2019; etc.)), but considers the “structure” by standard of living as a whole. The authors assess the standard of living not by individual components (Tikhonova et al., 2018; Family and children..., 2009; etc.), but on the basis of a joint analysis of its basic components (per capita cash income and housing security). Unlike other works, which also take into account these components of the standard of living (Avraamova et al., 2003; Maleva et al., 2015; etc.), the authors rely on social standards for its measurement. The use of housing standards updated for a more comprehensive identification of the quality of housing conditions (including taking into account the place of residence – urban/rural areas) compared to previous developments (Monitoring..., 2022; etc.), made it possible, supplementing them with per capita cash income standards, to obtain more accurate estimates of the standard of living of households with children compared to households without children.

The study has revealed that households with children are in a less favorable situation compared to households without children, and the majority

(about 60.0%, 2022) of them are characterized by the most vulnerable situation in terms of living standards, the parameters of which do not reach the minimum and socially acceptable standards. These households need priority attention from the state. Improvement of their situation requires a targeted approach with the use of policy measures in the sphere of income and housing security.

When implementing the state policy in the field of improving the housing security of Russians, in our opinion, priority should be given to households living in the worst and most poor housing conditions. This problem is the most acute for households with children (71.1%, with 46.2% for households without children, 2022). At the same time, for the majority (about 80.0%) of such households with children, due to low income levels (less than 1 or 2 MW), it is hardly possible to improve housing conditions without support from the state (through social rent, social rent, subsidies, etc.). Taking into account the goals in the field of demographic development, the priority attention of the state in providing housing for this group of households should be given to households with children.

In implementing the income policy, it is relevant, first of all, to increase income from employment. The survey data show that employment cannot provide a significant part of the working population with minimum or socially acceptable standards of per capita money income in their households, while the majority of the employed have average or higher standards. The obtained results correspond with the data of official statistics on the size of accrued wages. According to Rosstat data, about half (47.5% in 2021 and 45.4% in 2023¹⁰) of salaried employees of organizations

¹⁰ Estimation based on Rosstat data: Decent work indicators, distribution of the number of employees of organizations by size of accrued wages (in terms of the minimum subsistence level of the able-bodied population) by type of economic activity. Rosstat. Available at: <https://rosstat.gov.ru/folder/13723>

(more than 80.0% of the employed¹¹) have wages of less than 3 MWemp, i.e. its size does not allow to ensure average and higher income standards in their households even in the absence of dependency burden. As the study has shown, households with children, compared to households without children, given the actual dependency burden on the employed, have higher risks of localization in the lower strata of the standard of living due to insufficient income from employment.

As a consequence of low income from employment, which does not “insure” against the risks of monetary poverty, in order to overcome the difficult situation in households with children it is necessary to “connect” measures of targeted social support. According to the survey results, 18.1% (2022) of households with children had per capita money incomes below the minimum standard (less than 1 MW). For households without children, this problem was not so acute and practically solved (2.6%, 2022). Increasing incomes in households with children in money poverty is possible both through the development of existing measures of targeted social payments (increasing the size of benefits, etc.) and the introduction of new support measures. One of such measures could be the increase of per capita income to the guaranteed minimum income (GMI)¹² not lower than the regional subsistence minimum. The introduction of the GMI mechanism can be linked to: 1) high dependency burden in households with children (large families, single-parent families, families with disabled persons, including disabled children);

¹¹ Estimation based on Rosstat data: Results of the sample labor force survey. 2022. Rosstat. Available at: <https://rosstat.gov.ru/folder/11110/document/13265>

¹² Guaranteed minimum income (GMI) is the per capita income of low-income households, not lower than the regional subsistence minimum. It is provided by the introduction of an additional social payment (ASP) to a poor household in case the existing measures of targeted social support do not allow it to overcome absolute monetary poverty (to increase per capita income to the regional subsistence minimum or other established value of the GMI) (Bobkov, 2019).

2) assessment of the labor status of the economically active population of households with children (presence/absence of employment, objective reasons for nonemployment).

The obtained results complement the conclusions of other authors (Korchagina, Prokofieva, 2023; etc.) in terms of comparing the situation in households with and without children belonging to different strata in terms of living standards and taking into account the involvement in employment of household members of different age groups. The survey has shown that in households with children, where minimum income standards are not ensured (less than 1 MW), the employment rate is noticeably lower than in better-off households with children. In most cases, this is due to objective circumstances. The proposed GMI as a support mechanism for households with children should be established for those of them, where the opportunities for increasing the level of income from employment have been exhausted (or temporarily limited by objective reasons). The feasibility and effectiveness of such support measures to overcome the problem of money poverty of families with children are confirmed by practical results (Bobkov, 2019; Universal..., 2022; etc.).

For households that have “reserves” for increasing the employment rate, the increase in the level of income can be realized through employment promotion, including through the mechanisms of social contract with obligations related to employment, improvement of labor potential (qualifications, etc.). As the study has shown, in households with children with the lowest incomes (less than 1 MW), the realization of their “reserves” is primarily related to the employment of unemployed persons and to the involvement in employment of persons who are not working and not looking for work.

An increase in scholarships for students of higher and secondary vocational education programs can also contribute to the increase in

household incomes. At this stage, scholarships do not provide a minimum level of current consumption¹³. According to the data received, about 90% of unemployed persons aged 15 to 24 are not employed due to education, including vocational education. Increasing the level of scholarships at least to the subsistence minimum (in connection with the results of education) would reduce the dependency burden on the budget of households with children, which have non-working students, to compensate at a minimum level labor costs associated with vocational education.

In the context of the risks of a decline in the standard of living of households with children due to the socio-economic effects of increased external sanctions pressure on Russia (2022–2023), we consider it advisable to conduct regular monitoring of the well-being of families with children. There is experience in conducting such monitoring. In accordance with Resolution of the Government of the Russian Federation 1376, dated December 14, 1994, the Monitoring of the Socio-Economic Potential of Families was conducted, which provided for “the study, analysis and generalization of the dynamics of living standards of various types of families, taking into account the ability to work, educational and professional potential of family members, its composition and dependency burden, welfare factors, and opportunities for adaptation to changing socio-economic conditions¹⁴. At the new stage of the country’s development, we believe it would be advisable to return to this experience. Monitoring of the well-being of families with children should include the study of the situation

¹³ According to official statistics, their amounts as of January 1, 2023 were 9.5 and 3.4% of the subsistence minimum, respectively. See: Amounts of basic social guarantees established by the legislation of the Russian Federation in relation to the subsistence minimum level. Rosstat. Available at: <https://rosstat.gov.ru/folder/13397>

¹⁴ On monitoring the socio-economic potential of families: Resolution Decree 1376, dated December 14, 1994. Available at: http://pravo.gov.ru/proxy/ips/?doc_itself=&nd=102033443&page=1&rdk=0&link_id=11#10

of families with children, including taking into account different types of households (single-parent families, large families, etc.), the labor status of household members of different age groups, in order to specify the risks of lowering their standard of living. Original indicators characterizing the labor situation and living standards of families with children, monitored on the basis of microdata from Rosstat and RLMS-HSE, could form the indicator base for monitoring. The results of monitoring could be taken into account when promptly adjusting existing and, if necessary, introducing new program-targeted mechanisms to support families with children.

Conclusion

The research results have shown that households with children, unlike households without children, are more often characterized by the most vulnerable position in terms of standard of living due to the low level of purchasing power of per capita money income and the quality of housing conditions. Higher risks of decline in the standard of living of households are accompanied by lower involvement in employment of persons

from the economically active population of households, insufficient level of income from employment of working persons in households, as well as unrealized “reserves” for increasing the employment rate in households.

The research results are the following: a) to demonstrate the priority of improving the standard of living of households with children for the implementation of domestic public policy; b) to confirm the relevance of the development of public policy measures in the paradigm of the relationship between employment and standard of living, the importance of increasing the level and quality of employment.

The research we have conducted by us supplements the experience of studying the standard of living in the aspect of methodological and practical developments on the basis of modeling, taking into account the indicators achieved by the basic components (monetary income and housing conditions), identifying different levels of satisfaction of needs and reproduction of life of households with children, and the role of employment and its quality.

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